

API NUMBER: 039 22624

OKLAHOMA CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
P.O. BOX 52000
OKLAHOMA CITY, OK 73152-2000
(Rule 165:10-3-1)

Approval Date: 06/29/2023

Expiration Date: 12/29/2024

Multi Unit

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 04 Township: 13N Range: 19W County: CUSTER

SPOT LOCATION: ☐ NW ☐ NE ☐ NE ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 267 2275

Lease Name: PUFFIN Well No: 1-4-9XH Well will be 266 feet from nearest unit or lease boundary.

Operator Name: NADEL AND GUSSMAN LLC Telephone: 9187963145 OTC/OCC Number: 1547 0

NADEL AND GUSSMAN LLC
15 E 5TH ST STE 3300
TULSA, OK 74103-4313

BRETT BISHOP
22585 E. 1000 ROAD
ARAPAHO OK 73620

Formation(s) (Permit Valid for Listed Formations Only):

Name	Code	Depth
1 DES MOINES	404DSMN	10900

Spacing Orders: No Spacing

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202300968
202300969
202300971
202300972

Working interest owners' notified: DNA

Special Orders: No Special

Total Depth: 19675

Ground Elevation: 1765

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 380

Deep surface casing has been approved

Under Federal Jurisdiction: No
Fresh Water Supply Well Drilled: No
Surface Water used to Drill: Yes

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 23-39110

H. (Other)

CLOSED SYSTEM=STEEL PITS PER OPERATOR
REQUEST, OBM RETURNED TO VENDOR, CUTTINGS
PERMITTED PER DISTRI

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 8000 Average: 5000

Is depth to top of ground water greater than 10ft below base of pit? Y

Within 1 mile of municipal water well? N

Wellhead Protection Area? N

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is: AP/TE DEPOSIT

Pit Location Formation: Terrace

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: OIL BASED

Chlorides Max: 30000 Average: 20000

Is depth to top of ground water greater than 10ft below base of pit? Y

Within 1 mile of municipal water well? N

Wellhead Protection Area? N

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is: AP/TE DEPOSIT

Pit Location Formation: Terrace

This permit does not address the right of entry or settlement of surface damages. The duration of this permit is 18 MONTHS, except as otherwise provided by Rule 165: 10-3-1. Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.

MULTI UNIT HOLE 1

Section: 9	Township: 13N	Range: 19W	Meridian: IM	Total Length: 7570
County: CUSTER				Measured Total Depth: 19675
Spot Location of End Point: SE	SW	SE	NW	True Vertical Depth: 13500
Feet From: NORTH	1/4 Section Line: 2620		End Point Location from	
Feet From: WEST	1/4 Section Line: 1950		Lease, Unit, or Property Line: 1950	

NOTES:

Category	Description
DEEP SURFACE CASING	[6/27/2023 - GE7] - APPROVED; (1) NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING. (2) SUBSEQUENT WELLS ON SAME PAD WILL NOT BE ALLOWED DEEP SURFACE CASING IN THE EVENT OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING.
HYDRAULIC FRACTURING	[6/27/2023 - GE7] - OCC 165:10-3-10 REQUIRES: 1) NOTICE SHALL BE GIVEN AT LEAST 5 BUSINESS DAYS PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS ON A HORIZONTAL WELL TO OPERATORS PRODUCING WELLS WITHIN 1 MILE OF THE COMPLETION INTERVAL OF THE SUBJECT WELL. THE NOTICE TO SUCH OPERATORS SHALL CONTAIN THE INFORMATION IN FORM 6000NOO. IF THE HYDRAULIC FRACTURING OPERATIONS SCHEDULE CHANGES AFTER NOTICE HAS BEEN PROVIDED, RESULTING IN A DELAY OF OPERATIONS OF MORE THAN 5 DAYS FROM THE INITIAL NOTICE, NEW NOTICE IS REQUIRED TO BE GIVEN; 2) NOTICE WILL BE GIVEN TO THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES AT LEAST 48 HOURS PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS. FORM 6000NHF SHALL BE FOUND HERE: HTTPS://OKLAHOMA.GOV/OCC/DIVISIONS/OIL-GAS/OGCD-FORMS ; AND, 3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS IS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION OF HYDRAULIC FRACTURING OPERATIONS, FOUND AT FRACFOCUS.ORG
PENDING CD - 2023-000968	[6/29/2023 - GE7] - (640)(HOR) 4-13N-19W EST DSMN, OTHERS COMPL. INT. NCT 660' FB (COEXIST SPACING ORDER 167079 DSMN, OTHERS) REC. 6/20/2023 (BARRETT)
PENDING CD - 2023-000969	[6/29/2023 - GE7] - (640)(HOR) 9-13N-19W EST DSMN, OTHERS COMPL. INT. NCT 660' FB (COEXIST SPACING ORDER 167079 DSMN, OTHERS) REC. 6/20/2023 (BARRETT)
PENDING CD - 2023-000971	[6/29/2023 - GE7] - (I.O.) 4 & 9-13N-19W EST MULTIUNIT HORIZONTAL WELL X2023-000968 DSMN 4-13N-19W X2023-000969 DSMN 9-13N-19W 66.67% 4-13N-19W 33.33% 9-13N-19W NO OP NAMED REC. 6/20/2023 (BARRETT)
PENDING CD - 2023-000972	[6/29/2023 - GE7] - (I.O.) 4 & 9-13N-19W X2023-000968 DSMN 4-13N-19W X2023-000969 DSMN 9-13N-19W COMPL. INT. (4-13N-19W) NCT 165' FNL, NCT 0' FSL, NCT 1950' FWL COMPL. INT. (9-13N-19W) NCT 0' FNL, NCT 2475' FSL, NCT 1950' FWL NADEL AND GUSSMAN, LLC 6/20/2023 (BARRETT)